THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) and (b) The inflation is measured on year-on-year basis which has base effect and price effect. The annual rate of inflation, based on WPI, became negative during the months of June, July and August, 2009. Negative inflation during this period was both because of the base effect and because of decline in the prices of petroleum products and some manufactured products. WPI and rate of inflation from April 2009 to October, 2009 for three Broad Groups is indicated below:

Table: Wholesale Price Index (WPI) and Inflation for Broad Groups

(April 09 to October 09)

	Weight (%)	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09
Wholesale price Index (1993-94=100)								
All Commodities	100.00	231.5	234.3	235.0	238.4	240.8	242.7	242.2
I. Primary Articles	22.02	254.4	257.2	259.8	266.6	269.2	275.8	273.4
II. Fuel, Power, Light and Lubricants	14.23	323.4	325.7	327.5	338.2	342.9	344.6	345.0
III. Manufactured Products	63.75	203.0	205.9	205.8	206.4	208.1	208.6	208.5
Rate of inflation (per cent)								
All Commodities	100.00	1.31	1.38	-1.01	-0.67	-0.17	0.50	1.34
I. Primary Articles	22.02	6.62	6.32	6.52	7.20	7.98	9.36	8.71
II. Fuel, Power, Light and Lubricants	14.23	-5.69	-6.14	-12.53	-10.34	-9.26	-8.18	-6.55
III. Manufactured Products	63.75	1.75	2.18	0.64	0.05	0.10	0.29	1.36

Note: Figures of September 2009 and October 2009 are provisional

Estimate of black money stashed in Swiss Banks

†1282. SHRI PRABHAT JHA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government have failed to bring back the black money of the people of this country deposited with the Swiss Banks;

(b) if so, the details thereof;

(c) the details of the efforts made by different Governments to bring back the black money deposited with foreign banks and the same done by the present Government keeping in view the past experiences;

†Original notice of the question was received in Hindi.

(d) the estimates, if any, Government have in regard to the black money deposited with foreign banks (particularly in Swiss Banks); and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (e) There is no verifiable information available about black money deposited with Swiss banks or other foreign banks.

Whenever any case of suspected unauthorized maintenance/operation of accounts abroad by persons resident in India comes to the notice of the Directorate of Enforcement, appropriate action under Foreign Exchange Management Act and Regulations made thereunder, including for repatriation of funds lying in such accounts, is taken. However, no roving enquiries are made.

Further, Government has taken appropriate action, from time to time, whenever information regarding money deposited in foreign bank accounts in violation of direct tax laws is received. Efforts have also been made to get bank related information while pursuing investigations in cases of tax evasion and tax avoidance through requests in terms of provisions regarding exchange of information in various Double Taxation Avoidance Agreements (referred to as tax treaties) entered by India with foreign countries. Information so received is used for determining tax liability of the tax payers. Our tax treaty partners can also be requested to assist in collection of tax claim, if the tax treaty with that country contains specific provisions for assistance in collection of taxes. In accordance with currently prevailing international practice, tax treaties do not have provision for seeking repatriation of money deposited abroad.

Whenever efforts were made to seek bank related information under the tax treaty between India and Swiss Confederation, the Swiss Federal Tax Administration expressed its inability to exchange the information regarding bank deposits of Indian residents as the information was not necessary for the application of the tax treaty between India and Swiss Confederation but was required only for the enforcement of Indian internal laws. They also replied that such information was not at their disposal under Swiss laws in the normal course of tax administration.

Government has written to its treaty partners for entering into renegotiation of tax treaties in order to widen the scope of Article concerning exchange of information by specifically providing for exchange of bank related information. With respect to Swiss Confederation the first round of negotiation was held at Berne from 10th November, 2009 to 12th November, 2009. Government has also written to prioritized non-treaty countries for entering into negotiations for Agreement for Exchange of Information and Assistance in Collection of Taxes. The Central Board of Direct Taxes has also alerted its investigation units to pursue on top priority any information regarding any undisclosed money illegally parked in banks outside the country.

Purchase of Gold by RBI

†1283. SHRI Y.P. TRIVEDI: Will the Minister of FINANCE be pleased to state:

†Original notice of the question was received in Hindi.